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MAIL PROCESSING NETWORK RATIONALIZATION SERVICE CHANGES, 2011 Docket No. N2012-1

RESPONSES OF WITNESS PAUL HOGROGIAN (NPMHU-T2) TO UNITED STATES POSTAL SERVICE FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION TO NATIONAL POSTAL MAIL HANDLERS UNION WITNESS HOGROGIAN (USPS/NPMHU-T2-1 – 8)

(June 6, 2012)

Attached are the responses of witness Paul Hogrogian (NPMHU-T2) to the Interrogatories of the United States Postal Service (USPS/NPMHU-T2-1-8) filed May 23, 2012. Each interrogatory is stated verbatim and followed by the response.

Respectfully submitted,

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June 6, 2012

USPS/NPMHU-T2-1: On page 2, lines 7 through 8 of your testimony, you state "I don't believe that the loss of revenue will more than offset any savings that the AMPs may contain or ever produce." Please describe, in detail, your experience, education, or training related to revenue assessment, plans or strategies and other economic tools used to develop and explore revenue assessment, including, but not limited to, your experience, education, or training to support your statement and produce any documents or data that you relied upon in support of your statement.

RESPONSE:

The quotation provided is inaccurate, and not what was said in my testimony. My experience and training are set forth in the first paragraph of my testimony. My testimony is based on my many years of experience as a Mail Handler, my many years of representing Mail Handlers in the facilities mentioned in my testimony and nationwide, my life-long residence in the tri-state area, and my experience as user of the United States Postal Service's services. I do not have any formal training in the technical areas referenced in the question. The documents and data I relied upon in support of my statement are the AMP studies that have previously been supplied by the Postal Service to the Commission, and information provided to me at the public hearing (at which I was told that potential revenue loss was not factored into the AMP savings).

USPS/NPMHU-T2-2: On page 2, lines 23 through 25 of your testimony, you state that "[g]iven this massive increase, I am not confident that Brooklyn has the space to handle the increased volume, especially given that USPS will also have to move additional machines to Brooklyn." Please state your understanding of whether the Postal Service included in the Staten Island P&DF AMP study an assessment of the mail volume, arrival profile, and delivery points when determining the equipment set planning and produce any documents or data that you relied upon in support of your statement.

RESPONSE:

It is my understanding that the Postal Service did consider the mail volume and delivery points from Staten Island when determining the equipment set planning for Brooklyn. I did not see any evidence in the AMP study that the Postal Service considered the arrival profile. According to the AMP for the Staten Island P&DF (page 39), the USPS will need to add one AFSM 100 to Brooklyn. However, the AMP for the Queens P&DC indicates that two AFSMs, an SPBS, and a LCTS/LCUS will need to be added to handle the Queens volume. There is nothing in either AMP that indicates whether these two consolidations were considered together when considering the space requirements for this equipment. In addition, I do not see anywhere that the AMPs accounted for the additional storage space that will be needed to hold the mail until the next day's processing, given the Postal Service's plan to significantly expand the DPS processing window. Other than the AMPs, I relied upon my knowledge of the layout of the Brooklyn facility, and the knowledge of the NPMHU Local 300 representatives from the Brooklyn facility, when making the quoted statement.

USPS/NPMHU-T2-3: On page 3, lines 9 through 10 of your testimony, you state that you "see no evidence that the Postal Service considered this relative productivity when deciding to end mail processing at the Staten Island facility."

a. Please refer to the Response of USPS Witness Williams to Question from Commissioner Taub During March 20, 2012 Cross-Examination, pages 5 through 9, which was filed on March 30, 2012, available at:

http://www.prc.gov/Docs/81/81803/V2.p.422.HW.Dave.pdf http://www.prc.gov/Docs/81/81803/Homework.Vol.2.p.422.xls

Prior to filing your testimony with the Commission, did you have the opportunity to review and consider this response, including the information under the heading "Specific description of AMP savings calculations: mail processing workhours moving from the losing site to the gaining site?"

b. If you did not consider the materials identified in part (a), please explain why. If you did consider those materials, please explain the statement in light of those materials.

- (a) Yes.
- (b) The referenced portion of Witness Williams' response deals with the Postal Service's method of calculating projected work hours at the gaining facility. The quoted portion of my testimony did not deal with the Postal Service's method of calculating projected work hours at the gaining facilities, or the Postal Service's method for calculating estimated productivity at gaining facilities after consolidation. The quoted portion of the testimony reflects my conclusion that the Postal Service did not value the high productivity of the Staten Island P&DF when deciding to consolidate that facility into Brooklyn. This is not discussed in Witness Williams' testimony.

USPS/NPMHU-T2-4: On page 3, lines 11 through 14 of your testimony, you state:

In addition, even the Postal Service concedes that it cannot close the Staten Island facility, as it will need this facility to conduct its collection consolidation prior to transfer to Brooklyn, dock transfer the mail processed in Brooklyn to the corresponding 14 stations, and maintain the Registry and Express operations in Staten Island (see pages 4-5 of AMP).

Please identify with specificity, the language on pages 4-5 of the Staten Island P&DF AMP Study that supports this statement.

RESPONSE:

See the following language from the Staten Island P&DF AMP at page 4: "Due to logistics and to protect service, a reduced mail processing operation will remain in Staten Island P&DF. Staten Island current collection consolidation will remain in the building and be sent to Brooklyn P&DC for processing. Staten Island P&DF will serve as a hub to receive in the morning all mail processed in Brooklyn P&DC and dock transfer to the corresponding 14 stations. In addition, Registry and Incoming/Outgoing Express and New Jersey Network Distribution Center respectively will be send [sic] to Staten Island P&DF for dock transfer to the station. Staten Island P&DF current transportation schedules will remain, as all 14 stations will be served out of this building. A total of six (6) clerks, seventeen (17) mail handlers and one (1) Supervisor Distribution Operations will remain under Finance Number 35-8172 to support the Function 1 operations."

See also from the AMP at page 5: "A hub and spoke concept at the Staten Island P&DF is being proposed."

USPS/NPMHU-T2-5: On page 3, lines 14 through 16 of your testimony, you state that "[g]iven the volume of mail in Staten Island, I do not believe that the Postal Service's plans adequately staff the three (3) hub operations that will remain in Staten Island . . . "

- a. Please confirm whether this statement assumes that the tractor-trailer service to the New Dorp Station and the South Shore Annex would be cross-docked at Staten Island.
- b. If your answer to subpart (a) is not affirmative, please explain.
- c. Please describe, in detail, your experience, education, or training related to the assessment of staffing needs at postal facilities, including, but not limited to, your experience, education, or training to support your statement and produce any documents or data that you relied upon in support of your statement.

- (a) No.
- (b) It is my understanding that trucks will go directly from Brooklyn to New Dorp and South Shore stations.
- (c) My experience is set forth in the first paragraph of my testimony. My testimony is based on my many years of experience as a Mail Handler, and my many years of experience representing Mail Handlers in Staten Island and across the country. As part of my union duties, I have had experience with staffing issues when dealing with the Postal Service on numerous occasions, including when dealing with excessing or potential excessing of Mail Handers. I do not have any formal education or training in the technical areas referenced in the question.

USPS/NPMHU-T2-6: On page 3, lines 19 through 20, you state that you are "extremely concerned that the Postal Service's process for considering these consolidations did not allow for sufficient public input into the process."

- a. Please provide your understanding of the Postal Service's obligation to solicit and consider public input in relation to a mail processing plant consolidation, including, but not limited to, identification of any internal instructions that form the basis for your belief that the current process is not sufficient.
- b. In your view, is it possible for a public input process to comply with applicable internal instructions but still be deemed as not sufficient by a concerned postal employee or member of the public?

- (a) The USPS internal instructions for this process are found at Handbook 408. As a public service entity, the Postal Service has an obligation to solicit and consider public input when considering closing a mail processing facility that will have an impact on service to the public. As an employer, the Postal Service also had an obligation to consider input from its employees and employee representatives when closing a facility.
- (b) Yes, where applicable internal instructions do not provide for meaningful public input.

USPS/NPMHU-T2-7: On page 4, lines 10 through 11 of your testimony, you state "I do not believe these operational changes will result in significant labor savings." Please describe, in detail, your experience, education, or training related to the assessment of labor savings, including, but not limited to, your experience, education, or training to support your statement and produce any documents or data that you relied upon in support of your statement.

RESPONSE:

My experience is set forth in the first paragraph of my testimony. My testimony is based on my many years of experience as a Mail Handler, and my many years of experience representing Mail Handlers in Staten Island and across the country. I do not have any formal education or training in the technical areas referenced in the question. My testimony is based on my years of practical experience, my knowledge of Postal operations, the attachment to my testimony, and the numbers provided in the Postal Service's AMP studies.

USPS/NPMHU-T2-8: On page 4, lines 22-24 of your testimony, you state that "[a]s demonstrated in this presentation, the Postal Service is not going to achieve significant labor efficiency by changing the operating windows."

- a. Please confirm whether the presentation referenced is a draft document, intended for internal review and discussion only (as identified on pages 6, 7, and 14-20 of Attachment 2 of your testimony).
- b. If your answer to subpart (a) is not affirmative, please explain.
- c. Please identify the source of the attachment, including any information that confirms whether the information provided in the presentation was verified by Postal Service Headquarters.

- (a) Not confirmed.
- (b) I do not know what the Postal Service's intentions were. However, the referenced presentation was provided to me without any restrictions on its use, and without any statement that the information contained therein was a draft document or to be maintained in any sort of confidential manner.
- (c) The document was provided to me by Postal Service Senior Plant Manager Keith Fisher, in response to an information request made by the Union. I have no way of knowing if Postal Service Headquarters verified this presentation prior to local Postal management sharing it with the Union.